

Company No. 3266902

**KEYRAD LIMITED**  
**DIRECTORS' REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2004**



**KEYRAD LIMITED**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 DECEMBER 2004**

Company Number	3266902
Directors	Samantha Leak David McMaster Caversham Management Limited
Secretary	Marylebone Management Services Limited
Registered Office	3 Bentinck Mews London W1U 2AH

**KEYRAD LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2004**

The directors of the company, present their report to the members together with the Financial Statements for the year ended 31 December 2004.

**PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the company is investment holding. The company has a 100% owned subsidiary called SBG Concept Scandinavia AB, which is registered in Sweden.

**RESULTS AND DIVIDENDS**

The financial position of the company at 31 December 2004 and the loss for the year ended on that date are set out in the annexed accounts.

**DIRECTORS**

The directors of the company during the year, who did not have any beneficial interest in the issued share capital, were:

	<b>Date Appointed</b>	<b>Date Resigned</b>
Samantha Leak	1 September 2000	
Frank Robinson	1 September 2000	31 March 2004
Caversham Management Limited	1 September 2000	
David McMaster	31 March 2004	

**SECRETARY**

Marylebone Management Services Limited	1 September 2000
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**DIRECTORS' RESPONSIBILITIES FOR THE PREPARATION OF THE FINANCIAL STATEMENTS**

Company Law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

**KEYRAD LIMITED**

**DIRECTORS' REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2004 (CONTINUED)**

**DIRECTORS' RESPONSIBILITIES FOR THE PREPARATION OF THE FINANCIAL STATEMENTS (CONTINUED)**

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

**THIS REPORT WAS APPROVED ON BEHALF OF THE BOARD**



**Samantha Leak  
DIRECTOR**

**KEYRAD LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2004**

	Note	2004 GBP	2003 GBP
<b>EXPENSES</b>			
Administration expenses (credit)/ charge		(473)	2,215
Directors' fees		600	600
Exchange gains		(29)	(79)
		----	-----
		98	2,736
 Income from shares in group undertakings		-	3,095
Bank interest received		-	1
Bank charges		-	(46)
		----	-----
<b>(Loss)/ profit before taxation</b>		(98)	314
Taxation	2	-	-
		----	-----
<b>(Loss)/ profit for the year after taxation</b>		(98)	314
Profit brought forward		7,495	7,181
		-----	-----
Profit carried forward		7,397	7,495
		=====	=====

There were no other recognised gains and losses apart from those shown in the Profit and Loss Account, above.

None of the company's activities were commenced and none were discontinued during the above financial year.

The notes on pages 6 and 7 form part of these financial statements.

**KEYRAD LIMITED**

**BALANCE SHEET**

**AS AT 31 DECEMBER 2004**

		2004		2003	
	Notes	GBP	GBP	GBP	GBP
<b>Fixed assets</b>					
Investments	3		24,724		24,724
<b>Current assets</b>					
Debtors		2,105		2,077	
Cash in bank		72		71	
		-----		-----	
		2,177		2,148	
<b>Creditors: amounts falling due within one year</b>	4	(19,502)		(19,375)	
		-----		-----	
<b>Net current liabilities</b>			(17,325)		(17,227)
			-----		-----
<b>NET ASSETS</b>			7,399		7,497
			=====		=====
<b>SHAREHOLDERS' FUNDS</b>					
Called up share capital	5		2		2
Profit and loss account			7,397		7,495
			-----		-----
			7,399		7,497
			=====		=====

In preparing these financial statements:

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for:
  - (i) Ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
  - (ii) Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The financial statements were approved by the Board on 24 October 2005

  
**Samantha Leak**  
**DIRECTOR**

**KEYRAD LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2004**

**1. ACCOUNTING POLICIES**

Accounting Convention

The Financial Statements have been prepared under the historical cost convention, in accordance with the Financial Reporting Statement for Smaller Entities.

Consolidated Accounts

In accordance with the provisions of Financial Reporting Standard No 2, the company has not prepared consolidated financial statements, as it qualifies as a small group.

Foreign Currency Translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

**2. TAXATION**

The company is liable for UK corporation tax at the small companies rate of 19% but no UK tax is payable for this year because of the loss made.

**3. INVESTMENTS**

The company has a 100% owned subsidiary called SBG Concept Scandinavia AB, which is registered in Sweden. The subsidiary's shares are unquoted.

	<b>2004</b>	<b>2003</b>
	<b>GBP</b>	<b>GBP</b>
Investment at cost:		
2,000 Ordinary shares of SEK 100 each	24,724	24,724
	=====	=====

In the opinion of the directors, the value of the investment at the balance sheet date was not less than cost.

The following information was extracted from the audited accounts of the subsidiary as at 31 December 2004. The aggregate of the capital and reserves of the subsidiary was SEK 316,155, equivalent to GBP 24,880 (2003: SEK 451,373, equivalent to GBP 35,042). Its loss for the year was SEK 72,354, equivalent to GBP 5,694 (2003 profit: SEK 125,644 equivalent to GBP 9,754).

# KEYRAD LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2004 (Continued)

#### 4. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004	2003
	GBP	GBP
Loan	12,527	9,750
Accrued expenses	6,975	9,625
	-----	-----
	19,502	19,375
	=====	=====

The loan is interest free, unsecured and with no fixed date of repayment.

#### 5. CALLED UP SHARE CAPITAL

	2004 and 2003
	GBP
Authorised: 1,000 Ordinary shares of £1 each	1,000
	=====
Allotted, issued and fully paid:	
2 Ordinary shares of £1 each	2
	==

#### 6. RELATED PARTY TRANSACTIONS

The company is controlled by its directors. The company is ultimately controlled by Premier Life (Bermuda) Limited.

The company has a loan from Wells Way Limited (the loan in note 4), a company also controlled by Premier Life (Bermuda) Limited.

During the period, the company incurred fees and expenses of GBP 127 with the Caversham group of companies, in which Samantha Leak and David McMaster are directors and Frank Robinson was a director during the year. There were no other material transactions with any related party.

#### 7. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2004	2003
	GBP	GBP
Opening shareholders' funds	7,497	7,183
Total recognised (loss)/ profit for the year after taxation	(98)	314
	-----	-----
At 31 December	7,399	7,497
	=====	=====